

## RETIREMENT ALLOWANCE AND OPTIONS:

**UNMODIFIED** - The Unmodified Allowance is the highest monthly amount paid to you each month for life. Upon your death, there is no monthly allowance\* or return of member contributions to your beneficiary.

**OPTIONS** - Instead of the unmodified allowance, you can elect to receive one of the following options. Under each option YOUR MONTHLY ALLOWANCE WILL BE REDUCED FOR LIFE to pay for the benefit for your named beneficiary. If you wish to elect an option, you must do so at the time you complete your retirement application.

**OPTION 1** - The Option 1 is slightly less than the Unmodified Allowance but provides that if there are any member contributions remaining at the time of your death the balance would be paid to your beneficiary in a lump sum. There will be contributions remaining for approximately 9 to 11 years. The Option 1 Allowance does not provide for a monthly allowance\* to a beneficiary after your death.

**OPTION 2** - The Option 2 Allowance is the lowest monthly allowance payable to you for life. Selecting this option provides that upon your death the same monthly allowance will continue to be paid to your designated beneficiary for life. If your named beneficiary predeceases you, your monthly allowance will increase (or pop-up) to the present value of the Unmodified Allowance.

**OPTION 2W** - The Option 2W Allowance is slightly higher than the Option 2 Allowance. Upon your death, your named beneficiary will continue to receive the same monthly allowance for life. However, if your named beneficiary predeceases you, your monthly allowance will remain the same (no pop-up).

**OPTION 3** - The Option 3 Allowance provides for a higher monthly allowance to you than Option 2 or 2W Allowances. Upon your death, your named beneficiary will receive  $\frac{1}{2}$  of your monthly allowance for life. If your named beneficiary predeceases you, your monthly allowance will increase (or pop-up) to the present value of the Unmodified Allowance.

**OPTION 3W** - The Option 3W is slightly higher than Option 3 Allowance. Upon your death, your named beneficiary will continue to receive  $\frac{1}{2}$  of your monthly allowance for life. However, if your named beneficiary predeceases you, your monthly allowance will remain the same.

**OPTION 4** - Under Option 4, the law allows you to customize the amount of the allowance you want to provide, as long as the amount to your beneficiary is not more than the amount provided under Option 2W. Please review to Retirement Option 4 (PERS-PUB-18) for examples of the types of Option 4 allowances that are currently available.

**\*POST-RETIREMENT SURVIVOR ALLOWANCE (SURVIVOR CONTINUANCE):** This provision applies to all state members, school members, and also to local safety and miscellaneous members whose agencies have elected coverage. Eligible survivors are: (1) your spouse, if you were married for at least one year before your retirement and had remained married until the date of your death (for disability retirement, you need only have been married at retirement and remained married until the date of your death); or, if you have no surviving spouse, (2) your natural or adopted unmarried children under age 18 will receive this benefit until marriage or age 18. An unmarried child who was disabled prior to age 18 and whose disability has continued, without interruption, will receive this benefit until the disability ends or until marriage; (3) if none of the above, qualifying dependent parents. One quarter to one-half of your unmodified allowance will be continued automatically to an eligible survivor upon your death after retirement regardless of the option you choose. The exact amount depends upon your Social Security coverage under PERS membership. Payments to a spouse terminate upon his/her death.